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RUEHBR/AMEMBASSY BRASILIA 7545
RUEHBU/AMEMBASSY BUENOS AIRES 4799
RUEHCV/AMEMBASSY CARACAS 2051
RUEHGT/AMEMBASSY GUATEMALA 0599
RUEHPE/AMEMBASSY LIMA 2124
RUEHMD/AMEMBASSY MADRID 3210
RUEHME/AMEMBASSY MEXICO 1947
RUEHMN/AMEMBASSY MONTEVIDEO 4249
RUEHQT/AMEMBASSY QUITO 4688
RUEHSG/AMEMBASSY SANTIAGO 9273
RUEHRI/AMCONSUL RIO DE JANEIRO 0914
RUEHSO/AMCONSUL SAO PAULO 2081
RHMFISS/HQ USSOUTHCOM MIAMI FL
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C O N F I D E N T I A L SECTION 01 OF 03 LA PAZ 003295

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TAGS: [ECON](#) [PGOV](#) [PREL](#) [BL](#)

SUBJECT: AMBASSADOR CHARLES SHAPIRO NOVEMBER 28-29 LA PAZ
VISIT

REF: LA PAZ 3229

Classified By: ECOPOL Andrew Erickson for reasons 1.4 (d).

Summary

¶1. (SBU) During November 28-29 travel to La Paz, Principal Deputy Assistant Secretary Charles Shapiro and WHA Senior Advisor Maria Tamburri met with USG and GOB officials on counter narcotics issues, spoke with local indigenous leaders, met with Bolivian Vice President Garcia Linera, and reviewed USAID's comprehensive assistance efforts around La Paz. The trip received extensive press coverage and provided an opportunity to publicly highlight the importance of our bilateral relationship. Reftels report on the specifics of PDAS Shapiro's meeting with Vice President Garcia Linera and with indigenous leaders. End summary.

Environmental Anti-Coca Project

¶2. (SBU) Ambassadors Shapiro and Goldberg met with La Paz Prefect Jose Luis Paredes to discuss Paredes's views of the challenge of coca in his department. Paredes also presented a comprehensive plan to control the influx of precursors, to expand the La Paz Department's capacity to disseminate educational information about illicit coca, and the creation of a system to tighten controls on the sale of coca leaves to reduce the amount used in narco-trafficking. Paredes argued this program could also be used to reduce pesticides used to grow coca and promote organic coca for commercial markets. Given the GOB's support for coca rationalization, Paredes claimed the fight against cocaine production should change focus to control chemical precursors used to make cocaine. NAS Director William Francisco was present at the briefing, and offered to take the proposal under consideration.

Vice Minister Caceres

¶3. (SBU) Vice Minister for Social Defense Felipe Caceres next met with Ambassadors Shapiro and Goldberg to review and defend the GOB's efforts to combat narco-trafficking without resorting to forcible interdiction. Shapiro shared his concerns with Caceres regarding the rising number of coca farmers and increased production of coca in the Yungas. In response, Caceres defended the GOB's efforts, arguing that the reality of Bolivian coca cultivation was that the GOB has never, under any circumstances, gotten the quantity of legal coca below 20,000 hectares. Shapiro replied that failure to achieve a goal did not invalidate the goal. Given the reality that more coca production invariably meant more cocaine, it was essential for the GOB to keep up the fight against coca production that exceeds Bolivia's minor market for licit coca.

El Alto Maceration Pit

¶4. (U) To witness the rapid pace with which cocaine is beginning to be produced in urban areas, Ambassadors Shapiro and Goldberg together with Vice Minister Caceres toured a maceration pit inside a house in an El Alto suburb and reviewed anti-narcotics efforts in La Paz. Guided by Bolivian anti-narcotics police (FELCN) officials, FELCN Colonel Miquel Vasquez told Ambassadors Shapiro and Goldberg that cocaine production in urban areas is a new dynamic in narco-trafficking in Bolivia. Vasquez explained the FELCN is beginning to see increased cocaine production activity in urban areas, especially in the poor city of El Alto, which

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Vasquez attributed to the narco-trafficker's desire to hide illicit activity among the hustle and bustle of urban areas as opposed to isolated areas within Bolivia's jungles.

La Rinconada

¶5. (U) Ambassadors Goldberg and Shapiro visited La Rinconada, a U.S.-supported counter-narcotics facility located on the main highway between La Paz and the Yungas. The Ambassadors toured the facility, used to detect, seize, and detain individuals attempting to traffic drugs from the Yungas to La Paz. The Ambassadors also reviewed the FELCN's organizational structure and its counter-narcotics strategy. On the way back to La Paz, they paused outside the "licit" coca market in Villa Fatima, where they saw workers loading pickups with bundles of dried coca leaves.

Dinner with Analysts, Opinion-Makers, and Media

¶6. (U) Ambassador Goldberg hosted a dinner in honor of PDAS Shapiro and Senior Advisor Tamburri with noted political analysts and opinion makers. Guests represented both sides of the political spectrum. Conversation was lively and covered a broad range of views. Guests were of the general consensus that Morales would issue a decree that evening to deal with land reform. (NOTE: The Bolivian Senate actually convened while dinner was in progress and pass the new INRA law.) Two analysts generally noted for their pro-government opinions provided rather benign interpretations of current events, while other guests were more skeptical of government motivations. All agreed that President Morales possesses a very adept public relations team.

Meeting with Vice President Garcia Linera

¶7. (C) Ambassadors Shapiro, Goldberg, and Senior Advisor Tamburri met with Vice President Garcia Linera to lay down strong markers on the need to curtail coca production and the importance of respecting Bolivia's democratic traditions.

Reftel covers that meeting in more depth.

Nueva Esperanza and El Alto Business Hub

¶8. (U) To review the impact of ATPDEA, Ambassadors Goldberg and Shapiro visited Nueva Esperanza, a USAID-supported woman-owned embroidery export business in El Alto. The Ambassadors toured the facility and were briefed on the challenges the women faced before receiving USAID financial and technical assistance to take advantage of ATPDEA trade preferences to export their products to the United States. Explaining that their business is completely self-sufficient, the owners explained how USAID and ATPDEA preferences gave them the opportunity to own their business as well as provide permanent employment for the surrounding community. As a follow-up to Nueva Esperanza, the Ambassadors attended a presentation at a USAID-sponsored business development center to learn how technical assistance is provided to businesses like Nueva Esperanza and traditionally marginalized and impoverished groups.

USAID Mini-Exposition

¶9. (U) Shapiro attended a USAID Mini-Exposition that highlighted USAID activities under the Food Security, Democracy, and Integrated Alternative Development programs. Shapiro was briefed on how USAID assistance is helping to

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expand democracy initiatives, generate income and employment, improve access to justice for the poor, and increase civic participation through election observation. Shapiro concluded the event with a roundtable discussion that highlighted the social development of Bolivia, traditionally marginalized communities through USG assistance and what issues remain to be confronted.

COMMENT

¶10. (C) Shapiro and Tamburri's two-day visit provided them with broad exposure to the wide range of activities undertaken by USAID in support of the poorest and the most marginal residents of the slums of La Paz. Perhaps more importantly, the visit highlighted the intense interest of these Bolivians in renewal of ATPDEA trade preferences, which are seen by many in El Alto as the key to their economic future. For more reporting on Ambassador Shapiro's exchanges with Vice President Garcia Linera on democracy, coca, trade, and aid, see reftel. End Comment
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